

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Financial Report

Year Ended December 31, 2012

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KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Russell F. Champagne, CPA*
Victor R. Slaven, CPA*
P. Troy Courville, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Cartar, CPA*
Arthur R. Mixon, CPA*

Penny Angelle Scruggins, CPA
Christine L. Cousin, CPA
Wanda F. Aroement, CPA, CVA
Allen J. LeBry, CPA
Albert R. Leger, CPA, PFS, CSA*
Marshall W. Guidry, CPA
Stephen R. Moore, Jr., CPA, PFS, CFP®, ChFC®
James R. Roy, CPA
Robert J. Metz, CPA
Alan M. Taylor, CPA
Kelly M. Doucet, CPA
Cheryl L. Bartley, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr., CPA
Kristin B. Dauzat, CPA
Matthew E. Margaglio, CPA
Jane R. Hebert, CPA
Bryan K. Joubert, CPA
Stephen J. Anderson, CPA

Retired:

Conrad O. Chapman, CPA* 2006
Tynes E. Mixon, Jr., CPA 2011

* A Professional Accounting Corporation

OFFICES

183 South Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

450 East Main Street
New Iberia, LA 70560
Phone (337) 367-9204
Fax (337) 367-9208

113 East Bridge St.
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

1234 David Dr. Ste 203
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

1013 Main Street
Franklin, LA 70538
Phone (337) 828-0272
Fax (337) 828-0290

408 West Cotton Street
Ville Platte, LA 70588
Phone (337) 363-2792
Fax (337) 363-3049

133 East Waddell St.
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

332 West Sixth Avenue
Oberlin, LA 70655
Phone (337) 839-4737
Fax (337) 639-4568

621 Main Street
Pinville, LA 71360
Phone (318) 442-4421
Fax (318) 442-9833

WEB SITE

WWW.KCSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Avoyelles Parish Airport Authority
Marksville, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and the major fund of the Avoyelles Parish Airport Authority (Airport Authority), a component unit of the Avoyelles Parish Police Jury, as of and for the year ended December 31, 2012, which collectively comprise the Airport Authority's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Airport Authority. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The management of the Airport Authority is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United State of America.

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. The budgetary comparison information on page 21 is presented for purposes of additional analysis. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but it has been compiled from information that is the representation of management. We have not audited or reviewed the

supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.

Management has omitted the management's discussion and analysis information that is required to be presented for the purpose of additional analysis. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Boards, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Marksville, Louisiana
May 3, 2013

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Statement of Net Position
December 31, 2012

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and interest-bearing deposits	\$ 66,239
Receivables	<u>28,072</u>
Total current assets	94,311
Noncurrent assets:	
Capital assets, net	<u>3,591,356</u>
Total assets	<u>3,685,667</u>
LIABILITIES	
Current liabilities:	
Contracts payable	<u>23,633</u>
NET POSITION	
Net investment in capital assets	3,591,356
Unrestricted	<u>70,678</u>
Total net position	<u>\$ 3,662,034</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Statement of Activities
For the Year Ended December 31, 2012

Activities	Expenses	Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenues and Changes in Net Position Governmental Activities
Governmental activities:					
General government	\$ 174,289	\$ 39,634	\$ 5,800	\$ 310,411	\$ 181,556
General revenues:					
State revenue sharing					15,324
Interest earnings					264
Other					619
Total general revenues					16,207
Change in net assets					197,763
Net position - December 31, 2011					3,464,271
Net position - December 31, 2012					\$ 3,662,034

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Balance Sheet - Governmental Fund
December 31, 2012

	<u>General Fund</u>
ASSETS	
Cash and interest-bearing deposits	\$ 66,239
Receivables-	
Other	4,439
Grant receivable	<u>23,633</u>
Total assets	<u>\$ 94,311</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Contracts payable	<u>\$ 23,633</u>
Fund balance:	
Unassigned	<u>70,678</u>
Total liabilities and fund balance	<u>\$ 94,311</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

**Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2012**

Total fund balance for the governmental fund at December 31, 2012	\$ 70,678
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Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:

Land	\$ 37,045	
Construction in progress	60,000	
Buildings and improvements, net of \$137,520 accumulated depreciation	151,932	
Equipment, furniture and fixtures, net of \$30,702 accumulated depreciation	74,402	
Infrastructure, net of \$265,987 accumulated depreciation	<u>3,267,977</u>	<u>3,591,356</u>

Total net position of governmental activities at December 31, 2012	<u>\$ 3,662,034</u>
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The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
Year Ended December 31, 2012

	<u>General Fund</u>
Revenues:	
Intergovernmental revenues -	
State grant	\$ 310,411
City of Marksville	4,000
State revenue sharing	15,324
Donations-Paragon Casino	1,800
Fuel Sales	30,031
Rent Income	9,603
Interest income	264
Other	<u>619</u>
Total revenues	<u>372,052</u>
Expenditures:	
Current -	
General government:	
Contract labor	10,700
Operating services	25,552
Materials and supplies	30,773
Capital outlay	<u>310,411</u>
Total expenditures	<u>377,436</u>
Deficiency of revenues over expenditures	(5,384)
Fund balance, beginning	<u>76,062</u>
Fund balance, ending	<u>\$ 70,678</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of Governmental Fund
to the Statement of Activities
Year Ended December 31, 2012**

Total net change in fund balance for the year ended December 31, 2012 per Statement of Revenue, Expenditures, and Changes in Fund Balance			\$ (5,384)
The change in net position reported for governmental activities in the statement of activities is different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.			
Capital outlay which is considered as an expenditure on the Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ 310,411		
Depreciation expense for the year ended December 31, 2012	<u>(107,264)</u>	<u>203,147</u>	
Total change in net position for the year ended December 31, 2012 per Statement of Activities			<u>\$ 197,763</u>

The accompanying notes are an integral part of the basic financial statements.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Avoyelles Parish Airport Authority (Airport Authority) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

Such accounting and reporting procedures also confirm to the requirements of Louisiana Revised Statutes 24:513 and to the industry audit guide, Audits of State and Local Governments.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

The Airport Authority is the governing board for Avoyelles Parish Airport, located in Marksville, Louisiana and is a component unit of the Avoyelles Parish Police Jury. The Airport Authority is governed by 5 board members that are appointed by the Police Jury. The board members serve a 5 year term which expires at different times. At the end of the term, the Police Jury can either reappoint them for another term or another individual can be recommended for the position.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity. The statement of activities presents a comparison between direct expenses and program revenues for each function of the Airport Authority's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The accounts of the Airport Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

The fund of the Airport Authority is classified as a governmental fund. The emphasis on fund financial statements is on the general fund – the major governmental fund. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the Airport Authority is described below:

Governmental Funds -

General Fund -

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Airport Authority and it is used to account for the operations of the Airport Authority. The various revenues due to the Airport Authority are accounted for in this fund. General operating expenditures are paid from this fund.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position. In the fund financial statements, the “current financial resources” measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded as a liability when incurred or when the economic asset is used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows or resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and interest-bearing deposits

For purposes of the statement of net position, cash includes all demand accounts and certificates of deposits of the Airport Authority.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include request for reimbursements from state grants.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure, are reported in the governmental activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Airport Authority maintains a threshold level of \$1,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The estimated useful lives by type of asset are as follows:

Buildings and improvements	20-40 years
Equipment, furniture, and fixtures	5 years
Infrastructure	20 years

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in two components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as unreserved.

Fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

Unassigned – all other spendable amounts

E. Budget and Budgetary Accounting

Proposed budgets, prepared on a basis consistent with generally accepted accounting principles (GAAP), are submitted to the Airport Authority board prior to the commencement of the fiscal year. The proposed budgets are made available for public inspection not later than fifteen days prior to the beginning of the fiscal year.

Formal budget integration (within the accounting records) is employed as a management control device during the year. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended. Budget amendments are adopted by the Airport Authority board when revenues plus projected revenues for the remainder of the year fail to meet budgeted revenues by five percent or more and/or expenditures plus projected expenditures for the remainder of the year exceed budgeted expenditures by five percent or more. Such amendments were not material in relation to the original appropriations.

Budgetary control is exercised at the fund level.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) Cash and Interest-Bearing Deposits

Under state law, the Airport Authority may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Airport Authority may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2012, the Airport Authority had cash and interest-bearing deposits (book balances) totaling \$66,239.

The deposits are stated at cost, which approximates market. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Airport Authority's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. The Airport Authority does not have a policy for custodial credit risk, however, under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security of the pledge of securities owned by the fiscal agent bank.. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal bank in a holding of custodial bank that is mutually acceptable to both parties.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

Deposit balances (bank balances) at December 31, 2012 are secured as follows:

Bank balances	<u>\$ 107,070</u>
Secured by federal insurance	<u>\$ 107,070</u>

(3) Receivables

The following is a summary of receivables at December 31, 2012:

Intergovernmental grants	\$ 23,633
Other	<u>4,439</u>
Total	<u>\$ 28,072</u>

(4) Capital assets

Capital asset balances and activity for the year ended December 31, 2012 was as follows:

	<u>Balance 01/01/12</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/12</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 37,045	\$ -	\$ -	\$ 37,045
Construction in progress	14,760	310,411	265,171	60,000
Other capital assets:				
Buildings and improvements	289,452	-	-	289,452
Equipment, furniture and fixtures	105,104	-	-	105,104
Infrastructure	<u>3,268,793</u>	<u>265,171</u>	<u>-</u>	<u>3,533,964</u>
Totals	<u>3,715,154</u>	<u>575,582</u>	<u>265,171</u>	<u>4,025,565</u>
Less accumulated depreciation				
Buildings and improvements	123,851	13,669	-	137,520
Equipment, furniture and fixtures	22,528	8,174	-	30,702
Infrastructure	<u>180,566</u>	<u>85,421</u>	<u>-</u>	<u>265,987</u>
Total accumulated depreciation	<u>326,945</u>	<u>107,264</u>	<u>-</u>	<u>434,209</u>
Governmental activities, capital assets, net	<u>\$ 3,388,209</u>	<u>\$ 468,318</u>	<u>\$ 265,171</u>	<u>\$ 3,591,356</u>

Depreciation expense of \$107,264 was charged to the general government function.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

(5) Litigation and Claims

As of December 31, 2012, the Avoyelles Parish Airport Authority was not involved in any lawsuits that may result in judgments against the Airport Authority.

(6) Federal Compliance Contingencies

The Airport Authority receives grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the Airport Authority, such disallowances, if any, would not be significant.

(7) Risk Management

The Airport Authority is exposed to risks of loss in the area of property liability. This risk is handled by purchasing commercial insurance coverage. There have not been any significant reductions in the insurance coverage during the year.

(8) Subsequent Event Review

The Airport Authority has evaluated subsequent events through May 3, 2013 the date which the financial statements were available to be issued.

(9) New Accounting Pronouncements

During the fiscal year ended December 31, 2012, the Avoyelles Airport Authority adopted GASB 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, which provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes the following elements: assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position.

In April 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. The statement clarifies the appropriate reporting of deferred outflows of resources or deferred inflows of resources to ensure consistency in financial reporting. The provisions of GASB No. 65 must be implemented by the Avoyelles Airport Authority for the year ending December 31, 2013. The effect of implementation on the Avoyelles Airport Authority's financial statements has not yet been determined.

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Notes to Basic Financial Statements (Continued)

(10) **Board Members**

The Airport Authority's board members and the expiration of their terms are listed as follows:

<u>Member</u>	<u>Office</u>	<u>Term Expiration</u>
Rene Borrel	Chairman	December 31, 2016
A.J. Roy III	Vice-Chairman	December 31, 2014
John Ed Laborde	Member	December 31, 2013
Charles Jones	Member	December 31, 2012
John Lemoine	Member	December 31, 2017

The board members were not paid any compensation for their services on the board.

**REQUIRED
SUPPLEMENTARY INFORMATION**

AVOYELLES PARISH AIRPORT AUTHORITY
Marksville, Louisiana

Budgetary Comparison Schedule
General Fund
Year Ended December 31, 2012

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental revenues -				
State Grant	\$ 1,802,230	\$ 1,802,230	\$ 310,411	\$ (1,491,819)
City of Marksville	4,000	4,000	4,000	-
State revenue sharing	8,000	8,000	15,324	7,324
Donations - Paragon Casino	1,800	1,800	1,800	-
Fuel Sales	27,000	27,000	30,031	3,031
Rent Income	10,000	10,000	9,603	(397)
Interest income	-	-	264	264
Other	1,400	1,400	619	(781)
Total revenues	<u>1,854,430</u>	<u>1,854,430</u>	<u>372,052</u>	<u>(1,482,378)</u>
Expenditures:				
Current -				
General Government-				
Accounting	4,625	4,625	4,625	-
Contract labor	12,000	12,000	10,700	1,300
Dues & Subscriptions	6,000	6,000	668	5,332
Insurance	3,500	3,500	3,557	(57)
Repairs & maintenance	7,500	7,500	8,130	(630)
Fuel	25,000	25,000	29,896	(4,896)
Supplies	400	400	877	(477)
Telephone	900	900	918	(18)
Utilities	6,200	6,200	6,102	98
Miscellaneous	1,375	1,375	1,552	(177)
Engineering	140,000	140,000	77,751	62,249
Construction	1,655,000	1,655,000	232,660	1,422,340
Total expenditures	<u>1,862,500</u>	<u>1,862,500</u>	<u>377,436</u>	<u>1,485,064</u>
Deficiency of revenues over expenditures	(8,070)	(8,070)	(5,384)	2,686
Fund balance, beginning	<u>76,062</u>	<u>76,062</u>	<u>76,062</u>	<u>76,062</u>
Fund balance, ending	<u>\$ 67,992</u>	<u>\$ 67,992</u>	<u>\$ 70,678</u>	<u>\$ 78,748</u>

**COMPLIANCE, INTERNAL CONTROL
AND
OTHER MATTERS**

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
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James R. Roy, CPA
Robert J. Metz, CPA
Kelly M. Doucet, CPA
Cheryl L. Bentley, CPA
Mandy B. Self, CPA
Paul L. Delcambre, Jr., CPA
Wanda F. Arcamant, CPA, CVA
Kristin B. Dauzat, CPA
Richard R. Anderson Sr., CPA
Carolyn C. Anderson, CPA
Matthew E. Margaglio, CPA
Jane R. Hebert, CPA

Retired:
Conrad O. Chepman, CPA* 2006
Harry J. Clostio, CPA 2007

* A Professional Accounting Corporation

OFFICES

183 South Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141
Fax (337) 232-8660

450 East Main Street
New Iberia, LA 70560
Phone (337) 367-9204
Fax (337) 367-9208

113 East Bridge St.
Breaux Bridge, LA 70517
Phone (337) 332-4020
Fax (337) 332-2867

200 South Main Street
Abbeville, LA 70510
Phone (337) 893-7944
Fax (337) 893-7946

1234 David Dr. Ste 203
Morgan City, LA 70380
Phone (985) 384-2020
Fax (985) 384-3020

1013 Main Street
Franklin, LA 70538
Phone (337) 826-0272
Fax (337) 826-0290

408 West Cotton Street
Ville Platte, LA 70586
Phone (337) 363-2792
Fax (337) 363-3049

133 East Waddell St.
Marksville, LA 71351
Phone (318) 253-9252
Fax (318) 253-8681

332 West Sixth Avenue
Oberlin, LA 70855
Phone (337) 639-4737
Fax (337) 639-4568

621 Main Street
Pineville, LA 71360
Phone (318) 442-4421
Fax (318) 442-9833

WEB SITE
WWW.KCSRPCAS.COM

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Avoyelles Parish Airport Authority
Marksville, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* as enumerated below, which were agreed to by the management of the Avoyelles Parish Airport Authority and the Legislative Auditor of the State of Louisiana, solely to assist the users in evaluating management's assertions about the Avoyelles Parish Airport Authority's compliance with certain laws and regulations during the year ended December 31, 2012 included in the accompanying Louisiana Attestation Questionnaire. Management of the Avoyelles Parish Airport Authority is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Selected all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$150,000 and determined whether such purchases were made in accordance with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Result: There were no purchases of materials and supplies over \$30,000 that was required to be bid. Public works of \$310,411 were made in accordance with the bid law requirements.

Code of Ethics for Public Officials and Public Employees

2. Performed a search through various accounting records and inquired of Treasurer for any employees or officials who had accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Result: We found no indication that any officials had accepted anything of value, whether in the form of a service, loan, or promise, from anyone.

3. Performed a search for related party transactions in order to determine that no member or the immediate family of any member of the governing authority, nor the chief executive of the governmental entity, had been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Result: No member or immediate family member of any member had been employed by the Airport.

Budgeting

4. Obtained a copy of the legally adopted budget and all amendments.

Result: Management provided us with copies of the original budget. No amended budget was completed or adopted.

5. Traced the budget adoption and the amendments to the minute book.

Result: We traced the adoption of the original budget to the minutes of the meeting held in December 2011.

6. Compared the revenues and expenditures of the final budget to actual revenues and expenditures in order to determine if actual revenues failed to meet budgeted revenues by 5% or more.

Result: Total actual revenue failed to meet the budgeted revenues by five percent or less. R.S. 39:1311(A)(1) requires the budget to be amended when actual revenues plus projected revenue of the remainder of the year are failing to meet total budgeted revenues by five percent or more.

Accounting and Reporting

7. Inquired to Treasurer that all non-exempt governmental records were available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Result: Management asserted that the Airport's records were available as public record and had been retained for at least three years.

8. Verified that the Airport had filed their annual financial statements in accordance with R.S. 24:514, and 33:463.

Result: The annual financial statements have been filed in accordance with R.S. 24:514.

9. Verified that the Airport has had their financial statements reviewed in accordance with R.S. 24:513.

Result: The Airport's financial statements have been reviewed in accordance with R.S. 24:513.

Meetings

10. Examined evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by the Open Meetings Law, provided in R. S. 42:1 through 42:13.

Result: The Avoyelles Parish Airport Authority is only required to post a notice of each meeting and the accompanying agenda at the Parish Courthouse on the Avoyelles Parish Police Jury's door. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion.

Debt

11. Examined bank deposits for the period under examination and determined whether any such deposits appeared to be proceeds of bank loans, bonds or like indebtedness.

Result: We noted no deposits which appeared to be the proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

12. Examined payroll records and minutes for the year to determine whether any payments had been made to employees who may have constituted bonuses, advances or gifts.

Result: A reading of minutes and an examination of payroll records as well as other accounting records indicated no instances that would indicate payments were made to employees that would constitute bonuses, advances, or gifts.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such opinions. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Avoyelles Parish Airport Authority and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under the Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Marksville, Louisiana
May 3, 2013

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

February 1, 2013

Kolder, Champagne, Slaven & Co.
P.O. Box 531
Marksville, LA 71351

In connection with your review of our financial statements as of 12/31/2012 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of February 1, 2013.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes ☒ No ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes ☒ No ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-16), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes ☒ No ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes ☒ No ☐

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes ☒ No ☐

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R. S. 42:1 through 42:13.

Yes ☒ No ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

N/A

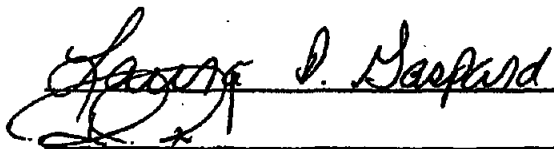
Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

 Treasurer 4-17-13 Date
President 4/17/13 Date

AVOYELLES PARISH AIRPORT AUTHORITY

**Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
Year Ended December 31, 2012**

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of finding</u>	<u>Corrective Action Taken</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
CURRENT YEAR (12/31/12)						
<u>Compliance</u>						
12-01 (C)	12/31/2012	The general fund budget was not amended in accordance with LSA-RS 39:1311(A)(1). Actual revenues were 80% less than budgeted because of anticipated grant revenues that were delayed by the grantor.		A comparison of the budget to actual amounts will be monitored more closely and amended when an unfavorable budget variance of 5% or more exists.	Mr. Renee Borrel, Chairman	12/31/2013
<u>Internal Control</u>						
09-01(IC)	12/31/2009	The Airport Authority does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.		The Airport Authority has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Mr. Renee Borrel, Chairman	N/A
09-02(IC)	Unknown	Due to the limited number of administrative personnel, the Airport did not have adequate segregation of accounting functions.		We feel that adequate segregation of duties is not feasible.	Mr. Renee Borrel, Chairman	N/A
PRIOR YEAR (12/31/11)						
<u>Compliance</u>						
N/A	N/A	There were no compliance findings.				
<u>Internal Control</u>						
09-01(IC)	12/31/2009	The Airport Authority does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.	No			
09-02(IC)	Unknown	Due to the limited number of administrative personnel, the Airport did not have adequate segregation of accounting functions.	No			